Draft NEGATIVE DECLARATION

PROJECT SPONSOR

Bay Area Air Quality Management District

PROJECT LOCATION

ALAMEDA COUNTY
Tom Bates
Scott Haggerty
Janet Lockhart
Nate Miley

ConocoPhillips Company 1380 San Pablo Avenue Rodeo, CA 94572-1354

CONTRA COSTA COUNTY

Mark DeSaulnier Mark Ross (Vice-Chair) Michael Shimansky Gayle B. Uilkema (Chair)

MARIN COUNTY Harold C. Brown, Jr.

NAPA COUNTY Brad Wagenknecht

SAN FRANCISCO COUNTY

Chris Daly Jake McGoldrick Gavin Newsom

SAN MATEO COUNTY

Jerry Hill (Secretary) Carol Klatt

SANTA CLARA COUNTY

Erin Garner Yoriko Kishimoto Liz Kniss Patrick Kwok

SOLANO COUNTY John F. Silva

SONOMA COUNTY

Tim Smith Pamela Torliatt

Jack P. Broadbent EXECUTIVE OFFICER/APCO

PROJECT DESCRIPTION

The Bay Area Air Quality Management District is conducting a review of an Alternative Compliance Plan (ACP) proposed by ConocoPhillips Company (ConocoPhillips) for its refinery located in Rodeo, California to determine whether approval of this ACP will cause significant environmental effects under the California Environmental Quality Act (CEQA). The ACP addresses the means that ConocoPhillips proposes to use to comply with the nitrogen oxide (NOx) requirements of District Regulation 9, Rule 10, which regulates NOx emissions from petroleum refineries.

This application (Application No. 14857) is for an ACP, which would allow ConocoPhillips to utilize existing Interchangeable Emission Reduction Credits (IERCs) to demonstrate compliance with the NOx limit for 29 process heaters at the Rodeo refinery.

ConocoPhillips Company currently owns and operates one refinery in the District. This facility is Plant No. 16. This refinery is subject to Regulation 9, Rule 10, which limits NOx emissions from petroleum refineries. At this facility, there are 29 sources subject to Reg. 9-10. These sources will comply with Reg. 9-10 using an Alternative Compliance Plan (pending approval), per Section 2-9-303. Under the ACP, the individual heaters are not required to comply with a specific emission limit, but rather a refinery-wide average. The current refinery-wide average NOx limit is 0.033 lb/million Btu. This emission rate limit is on a daily basis.

The IERCs that will be used for this ACP are pending approval under application number 14856. These IERCs were generated from source S-438, U110 H-1 Heater, at ConocoPhillips Company, for the following three credit generation periods: January 1 through December 31, 2004; January 1 through December 31, 2005; and January 1 through June 10, 2006. These IERCs were generated because S-438 operated with emissions below its NOx limit in Condition # 12123 Part 4 (for S-438) from January 2004 through March 15, 2005 and Condition # 1694, Part E.4 from March 16, 2005 to June 10, 2006.

DETERMINATION

Pursuant to the California Environmental Quality Act (Public Resources Code section 21000, et seq.), the District is the Lead Agency for the described project. The District

has prepared an Initial Study (attached), and, on the basis of the study, has determined that the project will have a less than significant effect on the environment.

REVIEW PERIOD

Interested persons are invited to send written comments on the Negative Declaration or Initial Study to Carol Lee, Senior Air Quality Engineer, Bay Area Quality Management District, 939 Ellis Street, San Francisco, California, 94109. Such comments must be received by 5:00 pm on [30 calendar days from the date of this notice]. If you have questions about the project, please contact Carol Lee at (415) 749-4689 or at clee@baaqmd.gov.